

OUTSOURCING Gives Its Opinion in Favor of Planned MBO—JCR Will Watch the MBO's Success or Failure and Its Financial Impact

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on "Notice Regarding Opinion in Favor of Planned Management Buyout and Recommendation to Tender Shares" by OUTSOURCING Inc. (security code: 2427).

- (1) OUTSOURCING Inc. (the "Company") announced that its Board of Directors resolved on December 8, 2023 to express support for and recommend shareholders to tender their shares in the management buyout (MBO) to be jointly conducted by Bain Capital, a US investment fund, and Mr. Doi, the founder of the Company, if the tender offer for the Company's shares is launched.
- (2) Although BCJ-78, which is the tender offeror, aims to commence the tender offer by late January 2024, it will announce the details of the tender offer schedule as soon as they are determined, since it is difficult to accurately predict the time required for procedures under domestic and foreign competition laws, investment control laws and regulations. The Company intends to express again its opinion on the tender offer at the time the tender offer is launched.
- (3) If the tender offer is launched, the purchase price of the Company's shares will exceed 200 billion yen and BCJ-78 plans to finance the purchase with an investment from BCJ-77, the parent company established by Bain Capital. If the MBO is completed, it is necessary to closely monitor the impact on the Company's financial base. If the probability of an adverse impact increases, JCR may take a rating action of negative direction. JCR will check the success or failure of the MBO, the Company's management and financial strategies, and the future impact on the earnings and financial conditions, as appropriate, and will reflect them in the rating.

Naoki Kato, Masaki Abe

<Reference>

Issuer: OUTSOURCING Inc.

Long-term Issuer Rating: BBB Outlook: Stable

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